

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6064

BILL NUMBER: SB 149

NOTE PREPARED: Dec 20, 2011

BILL AMENDED:

SUBJECT: Direct Wine Sales.

FIRST AUTHOR: Sen. Boots

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ GENERAL
☒ DEDICATED
☐ FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill removes requirements that before a direct wine seller may sell to a consumer: (1) the consumer must provide information in one face-to-face transaction at the seller's place of business; or (2) under certain circumstances, the consumer must provide a verified statement that the consumer is at least 21 years of age, and the seller must provide the name and address of the consumer to the Alcohol and Tobacco Commission. It allows a direct wine seller to sell and ship wine directly to a consumer if the consumer provides: (1) the consumer's name; (2) a valid delivery address and telephone number; (3) proof of age by a state issued driver's license or state issued identification card showing the consumer to be at least 21 years of age; and (4) a verified statement that the consumer satisfies certain requirements. It repeals a provision that requires a consumer to provide certain information to a direct wine seller.

Effective Date: July 1, 2012.

Explanation of State Expenditures: *Alcohol and Tobacco Commission (ATC):* This bill would require the ATC to amend rules governing issuance of direct wine seller permits. The ATC's existing level of resources is sufficient.

Explanation of State Revenues: *Impact of Additional Wine Sales:* To the extent that any of the provisions of this bill makes it more convenient for consumers to have wine shipped directly to them, alcoholic beverage sales could increase. Sales changes will affect collections of both alcoholic beverage excise taxes and the Sales Tax.

The alcoholic beverage excise taxes are distributed in varying amounts to the following funds: state General Fund, the Post War Construction Fund, the Enforcement and Administration Fund, the Addiction Services Fund, and the Wine Grape Market Development Fund. The state retains 50% of the General Fund distribution

of beer and wine excise tax revenue. The remainder is distributed to cities and towns based on population.

Sales Tax revenue is deposited in the state General Fund (99.848%), the Commuter Rail Service Fund (0.123%), and the Industrial Rail Service Fund (0.029%)

Explanation of Local Expenditures:

Explanation of Local Revenues: See *Explanation of State Revenues*.

State Agencies Affected: ATC.

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Diana Agidi, 317-232-9867.